

HEMOPHILIA FEDERATION OF AMERICA, INC.

Audited Financial Statements
With
Independent Auditor's Report
For the Year Ended December 31, 2020

Hemophilia Federation of America, Inc.

Table of Contents

Independent Auditor’s Report	1–2
Statements of Financial Position December 31, 2020 and 2019	3
Statements of Activities For the Year Ended December 31, 2020 and 2019	4–5
Statement of Cash Flows For the Year Ended December 31, 2020 and 2019	6
Statements of Functional Expenses For the Year Ended December 31, 2020 and 2019	7–8
Notes to Financial Statements December 31, 2020	9–16
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	17–18
Schedule of Prior Year’s Findings and Questioned Costs For the Year Ended December 31, 2020	19
Schedule of Findings and Responses For the Year Ended December 31, 2020	20
Supplementary Information	21
Schedule of Expenditures of Federal Awards	22

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October 5, 2021

Board of Directors
Hemophilia Federation of America, Inc.
Washington, D.C.

Independent Auditor's Report

Report on the Financial Statements

We have audited the accompanying financial statements of Hemophilia Federation of America, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2020 and 2019, and the related statements of activities, cash flows, and functional expenses for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the *U.S. Department of Health Services Audit Guide*, issued by the U.S. Department of Health Services. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Organization's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Organization's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall financial statement presentation.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

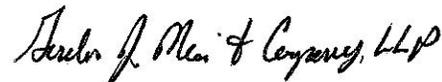
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Hemophilia Federation of America, Inc., as of December 31, 2020, and the changes in its net assets and its cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Supplementary Information

Our audit was performed for the purpose of forming an opinion on the basic financial statements of Hemophilia Federation of America, Inc., taken as a whole. The accompanying schedule of expenditures of federal awards is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated October 5, 2021, on our consideration of Hemophilia Federation of America, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with **Government Auditing Standards** and the **U.S. Department of Health Services Audit Guide** in considering Hemophilia Federation of America, Inc.'s internal control over financial reporting and compliance.



Gordon J. Maier & Company, LLP
Certified Public Accountants

Hemophilia Federation of America, Inc.
Statements of Financial Position
December 31, 2020 and 2019

	2020	2019
Assets		
Current Assets		
Cash and Cash Equivalents	1,420,281	2,184,237
Accounts Receivables	640,091	1,455,900
Prepaid Expenses	21,556	26,093
Total Current Assets	2,081,928	3,666,230
Other Assets		
Investments	6,068,123	4,465,950
Total Assets	8,150,051	8,132,180
Liabilities and Net Assets		
Current Liabilities		
PPP Loan	453,638	-
Accounts Payable	135,547	165,655
Accrued Liabilities	60,762	47,458
Deferred Revenue	1,507,400	3,313,295
Deferred Rent Payable	239,970	239,970
Total Liabilities	2,397,317	3,766,378
Net Assets		
Without Donor Restrictions	5,621,728	4,295,331
With Donor Restrictions	131,006	70,471
Total Net Assets	5,752,734	4,365,802
Total Liabilities and Net Assets	8,150,051	8,132,180

The Accompanying Notes are an integral
part of these Financial Statements.

Hemophilia Federation of America, Inc.
Statements of Activities
For the Year Ended December 31, 2020

	Without Donor Restrictions	With Donor Restrictions	Total 2020
Public Support and Revenue			
Grants and Donations	3,446,880	489,767	3,936,647
Member Dues	64,215	-	64,215
Directory and Advertising	601,793	-	601,793
Symposium Revenue	1,711,953	-	1,711,953
Investment Income	302,172	-	302,172
Total Public Support and Revenue	<u>6,127,013</u>	<u>489,767</u>	<u>6,616,780</u>
Net assets released from Donor Restrictions	429,232	(429,232)	-
Expenses			
Program Services	4,857,745	-	4,857,745
Supporting Services:			
Management and General	178,878	-	178,878
Fundraising and Development	193,225	-	193,225
Total Expenses	<u>5,229,848</u>	<u>-</u>	<u>5,229,848</u>
Change in Net Assets	1,326,397	60,535	1,386,932
Net Assets, January 1,	<u>4,295,331</u>	<u>70,471</u>	<u>4,365,802</u>
Net Assets, December 31	<u><u>5,621,728</u></u>	<u><u>131,006</u></u>	<u><u>5,752,734</u></u>

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Hemophilia Federation of America, Inc.
Statements of Activities
For the Year Ended December 31, 2019

	Without Donor Restrictions	With Donor Restrictions	Total 2019
Public Support and Revenue			
Grants and Donations	3,426,134	52,357	3,478,491
Member Dues	100,805	-	100,805
Directory and Advertising	543,746	-	543,746
Symposium Revenue	2,081,847	-	2,081,847
Investment Income	311,910	-	311,910
Total Public Support and Revenue	<u>6,464,442</u>	<u>52,357</u>	<u>6,516,799</u>
Net assets released from Donor Restrictions	226,496	(226,496)	-
Expenses			
Program Services	5,588,067	-	5,588,067
Supporting Services:			
Management and General	124,955	-	124,955
Fundraising and Development	254,249	-	254,249
Total Expenses	<u>5,967,271</u>	<u>-</u>	<u>5,967,271</u>
Change in Net Assets	723,667	(174,139)	549,528
Net Assets, January 1,	<u>3,571,664</u>	<u>244,610</u>	<u>3,816,274</u>
Net Assets, December 31	<u><u>4,295,331</u></u>	<u><u>70,471</u></u>	<u><u>4,365,802</u></u>

The Accompanying Notes are an integral
part of these Financial Statements.

Hemophilia Federation of America, Inc.
Statements of Cash Flows
For the Years Ended December 31, 2020 and 2019

	2020	2019
Cash Flows from Operating Activities		
Change in Net Assets	1,386,932	549,528
Adjustments to Reconcile Change in Net Assets to Net Cash		
Flows from Operating Activities		
Realized and Unrealized (Gains) Loss on Operating Investments	(687,753)	(229,427)
Changes in Operating Assets and Liabilities		
Receivables	765,899	386,986
Prepaid Expenses	(27,189)	7,740
Accounts Payable	(30,109)	(47,435)
Accrued Liabilities	13,304	19,464
Deferred Revenue	(1,805,895)	1,210,785
Deferred Rent Payable	-	69,912
Net Cash Flows from Operating Activities	(384,811)	1,967,553
 Cash Flows from Investing Activities		
PPP Loan Proceeds	453,638	-
 Cash Flows from Financing Activities		
Purchases of Investments	(1,278,042)	(2,713,926)
Proceeds from Sale of Investments	445,259	631,443
Net Cash Flows from Investing Activities	(832,783)	(2,082,483)
 Net Change in Cash and Cash Equivalents	(763,956)	(114,930)
 Net Change in Cash and Cash Equivalents—Beginning of Year	2,184,237	2,299,167
Net Change in Cash and Cash Equivalents—End of Year	1,420,281	2,184,237

The Accompanying Notes are an integral
part of these Financial Statements.

Hemophilia Federation of America, Inc.
Statements of Functional Expenses
For the Year Ended December 31, 2020

	Program Services	Supporting Services			Total Expenses
		Management and General	Fundraising and Development	Total Supporting Services	
Wages and salaries	\$ 2,060,750	\$ 93,604	\$ 94,164	\$ 187,768	\$ 2,248,518
Payroll taxes and benefits	282,456	13,064	12,878	25,942	308,398
Insurance	11,567	6,440		6,440	18,007
Program expenses	781,747	-		-	781,747
Specific assistance	867,585	-		-	867,585
Scholarships	19,490	-	-	-	19,490
Professional fees	70,847	21,461	10,183	31,644	102,491
Conferences and meetings	15,390	22,641		22,641	38,031
Advertising			42,791	42,791	42,791
Supplies and postage	175,938	147	10,398	10,545	186,483
Dues and subscriptions	100,137	1,711	5,985	7,696	107,833
Taxes and licenses	572			-	572
Telephone	47,645	1,772	2,102	3,874	51,519
Rent	243,820	6,132	9,432	15,564	259,384
Office Expense	27,567	8,278	2,007	10,285	37,852
Travel	133,599	3,628	1,726	5,354	138,953
Equipment rental and maintenance	18,635	-	1,559	1,559	20,194
	<u>\$ 4,857,745</u>	<u>\$ 178,878</u>	<u>\$ 193,225</u>	<u>\$ 372,103</u>	<u>\$ 5,229,848</u>

The Accompanying Notes are an integral
part of these Financial Statements.

Hemophilia Federation of America, Inc.
Statements of Functional Expenses
For the Year Ended December 31, 2019

	Program Services	Supporting Services			Total Expenses
		Management and General	Fundraising and Development	Total Supporting Services	
Wages and salaries	\$ 2,121,614	\$ 61,078	\$ 80,541	\$ 141,619	\$ 2,263,233
Payroll taxes and benefits	245,846	14,534	30,866	45,400	291,246
Insurance	20,128	4,819	-	4,819	24,947
Program expenses	441,109	-	-	-	441,109
Specific assistance	945,989	-	-	-	945,989
Scholarships	17,500	-	-	-	17,500
Professional fees	78,668	3,262	3,058	6,320	84,988
Conferences and meetings	47,669	8,698	133	8,831	56,500
Advertising	-	-	98,871	98,871	98,871
Supplies and postage	189,938	2,482	15,684	18,166	208,104
Dues and subscriptions	105,461	1,513	9,690	11,203	116,664
Taxes and licenses	113	-	-	-	113
Telephone	37,508	2,085	1,093	3,178	40,686
Rent	216,871	5,102	5,355	10,457	227,328
Office Expense	-	9,301	-	9,301	9,301
Travel	1,083,720	7,795	5,392	13,187	1,096,907
Equipment rental and maintenance	35,548	2,661	3,566	6,227	41,775
Miscellaneous	385	1,625	-	1,625	2,010
	<u>\$ 5,588,067</u>	<u>\$ 124,955</u>	<u>\$ 254,249</u>	<u>\$ 379,204</u>	<u>\$ 5,967,271</u>

The Accompanying Notes are an integral
part of these Financial Statements.

Hemophilia Federation of America, Inc.
Notes to Financial Statements
December 31, 2020 and 2019

Note 1. Summary of Significant Accounting Policies

Organization

Hemophilia Federation of America, Inc. (Organization) is a national nonprofit organization that assists and advocates for the bleeding community, numbers 43 chapters in its national network, and is headquartered in Washington, D.C. The Organization is exempt from Federal income taxes under its present method of operation provided in Section 501(c)(3) of the Internal Revenue Code. The Organization receives the majority of its funding through private donations along with sponsorship income from a symposium it holds annually. The Organization promotes blood safety education, undertaking joint efforts with other bleeding disorder and blood safety groups.

Basis of Presentation

Financial statement presentation follows the standards of FASB ASC 958, *Not-for-Profit Entities*. Under FASB ASC 958, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions.

Net assets of the Organization and changes therein are classified and reported as follows:

Without Donor Restrictions—Net assets that are not subject to donor-imposed restrictions.

With Donor Restrictions—Net assets subject to donor-imposed restrictions that will be met either by actions of the Organization and/or the passage of time.

All contributions and grants are considered to be available for unrestricted use unless specifically restricted by the donor or grantor. Restricted contributions received are considered restricted assets until expenses are incurred in compliance with the donor's restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished) restricted net assets are reclassified to without donor restriction net assets and reported in the Statement of Activities as net assets released from restrictions.

Cash and Cash Equivalents

Cash and cash equivalents are defined as cash and investments that have an original maturity date of less than three months. For the purpose of the Statement of Cash Flows, the Organization considers cash and cash equivalents as currency on hand, demand deposits, money markets, and certificates of deposit with original maturities of three months or less.

Accounts and Grants Receivables

Receivables consist of amounts due from a third-party funding source for sponsorships, symposium revenues, and program services. They are stated at the amount management expects to collect from outstanding balances. The Organization does not provide an allowance for uncollectible accounts since none is considered necessary based on management's review of outstanding receivables, historical collection information, and existing economic conditions.

This information is an integral part of these Financial Statements.

Hemophilia Federation of America, Inc.
Notes to Financial Statements
December 31, 2020 and 2019

Note 1. Summary of Significant Accounting Policies (cont.)

Property and Equipment

All acquisitions of property and equipment in excess of \$5,000 and all costs for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Property and equipment purchases are stated at cost, while donated items are capitalized at fair value at the date of donation.

There was no property and equipment as of December 31, 2020 and 2019.

Use of Estimates

The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

Concentrations of Risks

Cash

The Organization maintains its cash accounts at two financial institutions. Accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At December 31, 2020 and 2019, the Organization had \$1,461,773 and \$2,250,087, respectively, on deposit, of which \$1,211,773 and \$2,000,087 were not insured by the FDIC.

Expense Allocation

Payroll and related expenses are allocated to the program based on estimated time spent in each program. Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are charged to programs and supporting services on the basis of periodic time studies. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

Income Taxes

The Organization follows the provisions of uncertain tax positions as addressed in FASB ASC 740, *Income Taxes*. The Organization recognized no change to net assets and accrued taxes. Management continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law, and new authoritative rulings. As of December 31, 2020, management believes all tax-related expenses and benefits have been recognized. As of December 31, 2020, the Organization has no accrued interest or penalties associated with uncertain tax positions. The Organization files a federal information return in the U.S. jurisdiction. None of the Organization's federal returns are currently under examination. The Organization believes it is no longer subject to income tax examinations for years prior to 2017.

This information is an integral part of these Financial Statements.

Hemophilia Federation of America, Inc.
Notes to Financial Statements
December 31, 2020 and 2019

Note 1. Summary of Significant Accounting Policies (cont.)

Revenue Recognition

Revenue is recognized when earned. Symposium Revenue, Directory and Advertising, and payments under cost-reimbursable contracts received in advanced are deferred to the applicable period in which the related services are performed or expenses are incurred, respectively. Member dues are primarily a contribution and recognized when received. Contributions are recognized when cash securities or other assets, unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier and a right of return, are not recognized until the conditions on which they depend have been met. A portion of the Organization's revenue is derived from cost-reimbursable federal contracts and grants, which are conditioned on certain requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred the expenses in compliance with specific contract or grant provisions. Amounts prior to incurring qualifying expenses are reported as deferred revenue in the Statement of Financial Position. The Organization received cost-reimbursable grants of \$-0- that have not been recognized at December 31, 2020, because qualifying expenses have not yet been incurred.

Deferred Revenue

Service Fees and other revenue billed and/or collected during the year relative to an event or service performed in a subsequent year are recorded as deferred revenue.

Donated Services

For the years ended December 31, 2020 and 2019, there were no donated services or supplies. The Organization generally pays for services requiring specific expertise. In addition, many individuals volunteer their time and perform a variety of tasks that assist the Organization that are not recognized in the financial statements since they did not meet the criteria for recognition under FASB ASC 958, *Not-for-Profit Entities*.

Note 2. Net Assets with Donor Restrictions

Net Assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or the expiration of time. Net Assets released from restrictions were \$429,232 and \$226,496 in 2020 and 2019, respectively.

Net Assets with donor restrictions are restricted to the following purposes or periods:

For the Year Ended December 31, Subject to Expenditure for Specified Purpose	2020	2019
Program Activities		
General Advocacy and Outreach	\$ -	\$ 50,000
Supporting Services		
Disaster Relief Funds	<u>131,006</u>	<u>20,471</u>

This information is an integral part of these Financial Statements.

Hemophilia Federation of America, Inc.
Notes to Financial Statements
December 31, 2020 and 2019

Total \$ 131,006 \$ 70,471

Note 3. Pension Plan

The Organization maintains a 403(b) pension plan for eligible employees. Employees can defer up to 100% of their compensation, subject to limitations imposed by the Internal Revenue Code (IRC). The Organization contributes a matching contribution of 6% of participating employee wages. Employer contributions were \$88,920 and \$78,154 for the years ended December 31, 2020 and 2019, respectively.

Note 4. Program Definitions

Following is a description of the Organization's programs:

Blood Brotherhood—A national program for adult men living with hemophilia or von Willebrand disease. It is designed to be a multi-venue outreach, to provide education and support, promote good health, and establish a sense of community for men.

Blood Sisterhood—A national program for women and girls who have a doctor-diagnosed bleeding disorder or who experience symptoms of a bleeding disorder. Blood Sisters receive education and stay connected and supported through face-to-face events at local partnering member organizations, educational webcasts, and online story sharing.

HFA Families—Includes the Dads in Action, Moms in Action, and Kids in Action programs. Since 1997, HFA Families has helped to serve an unmet need in the community, providing both national and local educational training and resources to help families build strong bonds with their children, tools to improve advocacy skills, and offering a place for belonging and support.

Outreach Education—Helps individuals with bleeding disorders and their caregivers learn how to become advocates on their own behalf through in-person and online training, tool kits, and web resources. Education and tools are provided to participate in monitoring, learning to self-advocate, and educating about federal and state public policies that impact the lives of people living with bleeding disorders. Social and print media are actively utilized to extend outreach efforts and bring community together.

HFA Research—A Community Centered, Community Focused, and Community Driven program aimed at improving the lives of bleeding disorders community members. Research topics are identified by the community population and focused on patient/community data. Data are collected nationally online as well as locally through AFA's 40-plus member organizations across the country.

Helping Hands—Designed to establish a rapid, noninvasive source of relief for emergency situations for individuals and families in the bleeding disorders community. Each application is given careful consideration as to the personal circumstances, while ensuring a minimum invasion of privacy for community members. The program also assists individuals with the costs of medically necessary items and durable medical equipment.

Gears for Good Charity Bike Ride—Encourages people with bleeding disorders to live healthy, active lifestyles. Gears for Good is a charity bike ride offered to raise funds for the Helping Hands Program. Riders enjoy meeting new people and building stronger friendships along the way while raising funds for this important cause.

This information is an integral part of these Financial Statements.

Hemophilia Federation of America, Inc.
Notes to Financial Statements
December 31, 2020 and 2019

Note 4. Program Definitions (cont.)

Symposium Conference—A national annual community-certification educational conference event that draws hundreds of patients and their families. This conference is a place where community members come together to share information, learn about new advancements, and build a network of support.

Other Activities—Provides educational and artistic scholarships to members of the bleeding disorders community, a resource guide for the consumers, and maintains a website with information about the Organization's programs and services. The Organization also publishes a quarterly newsletter called *Dateline Federation*. In addition, the Organization covers the costs of attendance to meetings of the Department of Health and Human Services, the Blood Products Advisory Committee of the FDA, and the Advisory Committee on Blood Safety and Availability, and participation in conferences at the invitation of the Centers for Disease Control.

Note 5. Subsequent Events

Subsequent events have been evaluated through October 5, 2021, which is the date the financial statements were available to be issued.

Note 6. Liquidity and Available Resources

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

Cash and cash equivalents	\$2,208,917
Investments	5,279,487
Receivables	<u>640,091</u>
Total	<u>\$8,128,495</u>

Note 7. Investments

The Organization follows fair value measurement accounting standards, which provide a comprehensive framework for measuring fair value and disclosures that are required about fair value measurements. Specifically, this accounting standard sets forth a definition of fair value and establishes a hierarchy prioritizing the inputs to valuation techniques, giving the highest priority to quoted prices in active markets for identical assets and liabilities and the lowest priority to unobservable value inputs. The levels in the hierarchy are as follows:

Hemophilia Federation of America, Inc.
Notes to Financial Statements
December 31, 2020 and 2019

Note 7. Investments (cont.)

Level 1—Unadjusted quoted prices for identical assets and liabilities in active markets

Level 2—Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3—Valuation derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable

The following table sets forth by level, within the fair value hierarchy, the assets are recognized at fair value and consist of the following at December 31, 2020:

	Level 1	Level 2	Level 3	Total
Cash and Cash Equivalents	\$ 3,828	\$ 784,808	\$ —	\$ 788,636
Fixed Income	—	1,514,139	—	1,514,139
Equities	<u>3,765,348</u>	<u>—</u>	<u>—</u>	<u>3,765,348</u>
Total	\$3,769,176	\$2,298,947	—	\$6,068,123

The following table sets forth by level, within the fair value hierarchy, the assets are recognized at fair value and consist of the following at December 31, 2019:

	Level 1	Level 2	Level 3	Total
Cash and Cash Equivalents	\$1,014,143	\$ 78,883	\$ —	\$1,093,026
Fixed Income	—	935,108	—	935,108
Equities	<u>2,437,816</u>	<u>—</u>	<u>—</u>	<u>2,437,816</u>
Total	\$3,451,959	\$1,013,991	—	\$4,465,950

The Organization's investments are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investments and the level of uncertainty related to the changes in the values of investments, it is at least reasonably possible that changes in risks in the near term would materially affect the amounts disclosed at fair value in these financial statements.

Note 8. Potential Public Support Redetermination and Major Funding Sources

The Organization has entered into a contractual relationship with a governmental agency that provides, in part, for the potential audit and adjustment by the agency of payments made to the Organization. No governmental audits or proposed adjustments of payments are pending at this time.

The Organization received 8.8% and 10% of its total revenues from this governmental agency in 2020 and 2019, respectively. In 2020, -0-% of its total accounts receivable balance is from this governmental agency. In 2019, 14% of its total accounts receivable balance was from this governmental agency.

The Organization received 26% of its total revenues from four private funding sources in 2020. In 2020, 50% of its total accounts receivable balance is from these four private funding sources.

Note 8. Potential Public Support Redetermination and Major Funding Sources (cont.)

This information is an integral part of these Financial Statements.

Hemophilia Federation of America, Inc.
Notes to Financial Statements
December 31, 2020 and 2019

The Organization received 47% of its total revenues from four private funding sources in 2019. In 2019, 18% of its total accounts receivable balance was from these four private funding sources

In addition, the Organization received donations of \$43,081 and \$35,580 in 2020 and 2019, respectively, from organizations related to various board members.

Note 9. Lease Commitments

The Organization leases office facilities under a lease that expires in January 2021 with a base rent of \$7,812 plus annual increases as stipulated by the lease agreement. The Organization began subletting this space in April 2018.

The Organization entered into a lease in March of 2018 for office facilities. The lease expires in May 2029, with a monthly base rent of \$16,556, plus annual increases as stipulated by the lease agreement.

Estimated minimum lease payments required as of December 31 are as follows:

2021	\$ 222,119
2022	218,402
2023	223,876
2024	229,477
2025	233,767
Thereafter	<u>942,054</u>
	<u>\$2,069,695</u>

Estimated minimum lease payments to be received on the subletting of the old office facilities as of December 31, 2020 are as follows:

2021	\$ 7,733
------	----------

Total rent expense, net of 92,267 of sublease income, was \$335,432 for 2020. Total rent expense, net of 71,905 of sublease income, was \$227,328 for 2019.

The lease has deferred lease incentives and scheduled rent increases that the Organization has recorded on a straight-line basis over the term of the lease, in rent expense. A deferred rent payable of \$241,526 and \$239,970 at December 31, 2020 and 2019, respectively, has been recorded, which represents the excess rent expense over cash payments.

Note 10. Debt

During the year ended December 31, 2020, the Organization had received loan proceeds from SBA in the amount of \$453,638, pursuant to the Paycheck Protection Program (PPP), which was enacted March 27, 2020. The PPP, established as part of the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act"), provides for loans to qualifying organizations for amounts up to 2.5 times the average monthly payroll expenses of the qualifying organization.

This information is an integral part of these Financial Statements.

Hemophilia Federation of America, Inc.
Notes to Financial Statements
December 31, 2020 and 2019

Note 10. Debt (cont.)

The loans and accrued interest are forgivable after eight weeks as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent, and utilities, and maintains its payroll levels. The amount of loan forgiveness will be reduced if the borrower terminates employees or reduces salaries during the elected eight-week or twenty-four-week period.

As of December 31, 2020, the balance of the loan was \$453,638. The loan, which was issued on May 7, 2020, matures on May 7, 2022. The unforgiven portion of the PPP loan is payable over two years at an interest rate of 1%, with a deferral of payments for the first six months. The Organization intends to use the proceeds for purposes consistent with the PPP. While the Organization currently believes that its use of the loan proceeds will meet the conditions for forgiveness of the loan, it is possible that actions taken by the Organization could cause ineligibility for forgiveness of the loan, in whole or in part.

This information is an integral part of these Financial Statements.

GORDON J. MAIER & COMPANY, LLP

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FRANKLIN M. TRESCH, CPA

October 5, 2021

Board of Directors
Hemophilia Federation of America, Inc.

Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

Independent Auditor's Report

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Hemophilia Federation of America, Inc., which comprise the statements of financial position as of December 31, 2020, and the related statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Hemophilia Federation of America, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Hemophilia Federation of America, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Hemophilia Federation of America, Inc.'s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Company's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness yet important enough to merit attention by those charged by governance.

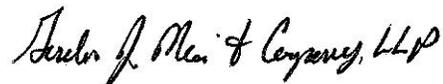
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify certain deficiencies in internal control.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Hemophilia Federation of America, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests did not disclose instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal controls and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control over compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purposes.



Gordon J. Maier & Company, LLP
Certified Public Accountants

Hemophilia Federation of America, Inc.
Schedule of Prior Year's Findings and Responses
For the Year Ended December 31, 2020

Prior Year Financial Statement Findings

2019-01 Significant deficiency—internal control:

Preparation of full disclosure financial statements

Criteria and Condition:

The Organization's personnel have not monitored recent accounting developments to the extent necessary to enable them to prepare the Organization's financial statements and related disclosures and provide a high level of assurance that potential omissions or other errors that are material would be identified and corrected on a timely basis.

Effect:

Under these conditions, errors or omissions in reporting could occur.

Cause:

The Organization is a small organization with a limited number of accounting staff members.

Recommendation:

Management and the board should continue to monitor financial results on a monthly basis. The organization could consider using a disclosure checklist during its review of the draft financial statements prepared by the audit firm.

Comments:

The Organization concurs with the finding and recommendation.

2019-02 Significant deficiency—internal control:

Assistance with journal entries

Criteria and Condition:

The Organization's personnel have not monitored recent accounting developments to the extent necessary to enable them to prepare the Organization's financial statements and provide a high level of assurance that potential omissions or other errors that are material would be identified and corrected on a timely basis.

Effect:

Under these conditions, errors or omissions in reporting could occur.

Cause:

The Organization is a small organization with a limited number of accounting staff members.

Recommendation:

Management and the board should continue to monitor financial results on a monthly basis.

Comments:

The Organization concurs with the finding and recommendation.

**Hemophilia Federation of America, Inc.
Schedule of Findings and Responses
For the Year Ended December 31, 2020**

Section I—Summary of Auditor’s Results

Financial Statements

Type of Auditor’s Report Issued:	Unmodified	
Internal Control over Financial Reporting:		
• Material Weakness(es) Identified?	_____yes	<u> X </u> no
• Significant Deficiencies Identified?	_____yes	<u> X </u> no
Noncompliance Material to Financial Statements Noted?	_____yes	<u> X </u> no

Section II—Financial Statement Findings

No findings were noted.

Section IV—Other Issues

Does the auditor have substantial doubt about the auditee’s ability to continue as a going concern? No

Does the audit report show audit issues (i.e., material noncompliance, nonmaterial noncompliance, questioned costs, material weaknesses, significant deficiencies, management letter comment) related to grants/contracts with funding agencies that require audits to be in accordance with the ***Government Auditing Standards***:

Department of Health and Family Services No

Was a management letter or other document conveying audit comments issued as a result of this audit? Yes

Signature of Partner in Charge:



Date of Report:

October 5, 2021

SUPPLEMENTARY INFORMATION

Hemophilia Federation of America, Inc.
Schedule of Expenditures of Federal Awards
December 31, 2020

FEDERAL AWARDS	Federal CFDA Number	Cumulative Grant Award	Costs Incurred Prior to January 1, 2020	Costs Incurred Year Ended December 31, 2020	Cumulative Costs Incurred	Unexpended Funds on Expired Grants	Unexpended Funds on Unrxpired Grants
U.S. Department of Health and Human Services, Centers for Disease Control and Prevention							
Blood Disorder Program; Prevention, Surveillance, and Research							
Budget period September 30, 2019 through September 30, 2020	93.080	\$ 550,000	\$ 200,229	\$ 349,771	\$ 550,000	\$ -	\$ -
Budget period September 30, 2020 through September 30, 2021	93.080	320,000	-	10,745	10,745	-	309,255
		<u>\$ 870,000</u>	<u>\$ 200,229</u>	<u>\$ 360,516</u>	<u>\$ 560,745</u>	<u>\$ -</u>	<u>\$ 309,255</u>

Hemophilia Federation of America, Inc.
Note of Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2020

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Hemophilia Federation of America, Inc. and is presented on the accrual basis of accounting. This information in this schedule is presented in accordance with the requirements of Government Auditing Standards. Therefore, some amounts presented in this schedule may differ from amount presented in, or used in the preparation of, the basic financial statements. The Organization has elected not to use the 10 percent de minimis indirect cost rate.